



**NEVADA COMMISSION ON ETHICS  
EXECUTIVE DIRECTOR'S REPORT AND RECOMMENDATION  
REGARDING JUST AND SUFFICIENT CAUSE**

REQUEST FOR OPINION No. 03-02

SUBJECT: OSCAR GOODMAN  
MAYOR, CITY OF LAS VEGAS

**A. REPORT OF INVESTIGATION:**

**DOCUMENTS REVIEWED BY EXECUTIVE DIRECTOR:**

- Request for Opinion.
- Subject's response received March 21, 2002.
- Financial disclosure statements filed by Oscar Goodman for calendar years 2001 and 2002.
- Searches of the Secretary of State's commercial recording database.
- Searches of the City of Las Vegas' business license database.
- Personal interviews with Oscar Goodman, March 18 and March 24, 2003.
- Personal interview with Dennis Neilander, Chairman, Gaming Control Board, March 24, 2003.

**B. RECOMMENDATIONS:**

Based on investigative activities, the Executive Director recommends that the Panel find that just and sufficient cause **DOES NOT EXIST** for the Commission to render an opinion in this matter relating to the provisions of:

NRS 281.481(2)   NRS 281.481(3)   NRS 281.481(5)   NRS 281.501(2)   NRS 281.501(3)

### **SPECIFIC REASON(S):**

No allegation or credible evidence of any fact that amounts to or supports a violation by any public officer of the above, or any other, provision of NRS Chapter 281.

### **SUMMARY OF REQUEST FOR OPINION**

This request for opinion alleges violations of NRS 281.481(2), NRS 281.481(3), NRS 281.481(5), NRS 281.501(2), and NRS 281.501(3) by Las Vegas Mayor Oscar Goodman for failing to disclose certain relationships prior to a vote on an agenda item regarding approval of a key employee (Albert J. Rapuano, General Manager) for a tavern liquor license at the Crazy Horse Too in Las Vegas. The complaint also alleges three violations of the ethics in government law relating to misuse of a public office, detailed in the results of the investigation. The complaint had four NRS citations listed as additional violations: NRS 281.360, NRS 281.4345, NRS 281.4375, and NRS 281.421(b). None of these statutes are one under which a violation of the Ethics in Government law may be alleged. Three of the statutes provide definitions only and the fourth, NRS 281.360, is not within the jurisdiction of the Commission on Ethics.

### **SUMMARY OF SUBJECT'S RESPONSE**

In his response, Mayor Goodman states he specifically pulled the licensing item in question from a consent agenda to allow public discussion and testimony regarding the agenda item. Mr. Goodman also states he has no relationship with Albert Rapuano, nor with the Crazy Horse Too. He also explains the nature of several relationships alleged in the complaint, and states that he did not benefit nor cause others to benefit due to his vote on the licensing issue. Mr. Goodman believes the complaint is politically motivated as he is presently running for his second term as Mayor of the City of Las Vegas.

### **RESULTS OF INVESTIGATION**

Mayor Goodman is a public officer as defined by NRS 281.005 and NRS 281.4365. As such, the Commission has jurisdiction over this complaint.

The complaint alleges violations of NRS 281.481(2), (3), and (5), which provide:

“2. A public officer or employee shall not use his position in government to secure or grant unwarranted privileges, preferences, exemptions or advantages for himself, any member of his household, any business entity in which he has a significant pecuniary interest, or any other person. As used in this subsection, “unwarranted” means without justification or adequate reason.

3. A public officer or employee shall not participate as an agent of government in the negotiation or execution of a contract between the government and any private business in which he has a significant pecuniary interest.

5. If a public officer or employee acquires, through his public duties or relationships, any information which by law or practice is not at the time available to people generally, he shall not use the information to further the pecuniary interests of himself or any other person or business entity.”

After reviewing the evidence submitted within the complaint and the subject’s response, the Executive Director found no credible evidence within the complaint that Mr. Goodman had used his position in government to secure or grant unwarranted privileges, preferences, exemptions or advantages for himself, any member of his household, any business entity in which he has a significant pecuniary interest, or any other person in relation to the licensing of Albert Rapuano. A review of the financial disclosure statements filed by Oscar Goodman with the Nevada Commission on Ethics for calendar years 2001 and 2002 revealed no pecuniary interest in the Crazy Horse Too. Searches of the corporate information on file in the Secretary of State’s commercial recording database revealed no business relationship between Mr. Goodman and Mr. Rapuano, nor Mr. Goodman and Mr. Rizzolo. Searches of the City of Las Vegas business license database revealed no link between Mr. Goodman and the Crazy Horse Too, nor its principals. The Crazy Horse Too principals were then cross-referenced against the Secretary of State’s commercial recording database, and no links between Mr. Goodman and the principals were found.

Mr. Goodman’s response indicates he has never had a relationship of any kind with Mr. Rapuano. This was confirmed by personal interview with Chairman Dennis Neilander of the Nevada Gaming Control Board. The Board investigated Mr. Rapuano, and its investigation revealed no personal or business ties between Mr. Rapuano and Mr. Goodman.

Mr. Goodman further states though he severed his business partnership with Eckley Keach (his former law partner) in July, 2002, three months prior to the vote in question, Mr. Keach recently informed Mr. Goodman he also had never represented Mr. Rapuano. Mr. Goodman acknowledges having represented Mr. Rizzolo in a criminal matter more than 20 years ago, but states he has since had no business relationship with him. Mr. Goodman further provides he has never represented the Crazy Horse Too, nor has he benefited personally as a result of the vote questioned in the complaint. The complaint alleges a business relationship between the Mayor’s campaign manager, Tom Letizia, and the Crazy Horse Too. Mr. Goodman stipulates the Mr. Letizia and Mr. Rapuano have no relationship, and that Goodman’s only financial relationship with Mr. Letizia is that Mr. Letizia is paid to provide services to Mr. Goodman’s campaign.

The Executive Director found no credible evidence to support a financial or business relationship directly between Mr. Goodman, the Crazy Horse Too, Mr. Rizzolo, or Mr. Rapuano. Additionally, the Executive Director found no evidence of how Mr. Goodman’s vote would have

secured or granted unwarranted privileges, preferences, exemptions or advantages for himself, any member of his household, or any other person. Accordingly, the Executive Director does not find just and sufficient cause to further pursue the allegation under NRS 281.481(2).

The licensing item under question in the complaint would not qualify as a contract as set forth under NRS 281.481(3). Further, having found no substantiated business or financial relationships between Mr. Goodman and the business or principals listed in the complaint, the Executive Director could find no credible evidence to support a violation of NRS 281.481(3). Accordingly, the Executive Director does not find just and sufficient cause to further pursue the allegation under NRS 281.481(3).

The Executive Director found no credible evidence that Mr. Goodman received or acquired any information which by law or practice was not at the time available to people generally as set forth in NRS 281.481(5). Rather, Mr. Goodman pulled the licensing item off a consent agenda so additional information could be provided in a public meeting forum. As no evidence was found to support a violation of NRS 281.481(5), the Executive Director does not find just and sufficient cause to further pursue the allegation.

Additionally, the complaint alleges violations of NRS 281.501(2) and (3), which provide:

“2. In addition to the requirements of the code of ethical standards, a public officer shall not vote upon or advocate the passage or failure of, but may otherwise participate in the consideration of a matter with respect to which the independence of judgment of a reasonable person in his situation would be materially affected by:

- (a) His acceptance of a gift or loan;
- (b) His pecuniary interest; or
- (c) His commitment in a private capacity to the interests of others.

It must be presumed that the independence of judgment of a reasonable person would not be materially affected by his pecuniary interest or his commitment in a private capacity to the interests of others where the resulting benefit or detriment accruing to him or to the other persons whose interests to which the member is committed in a private capacity is not greater than that accruing to any other member of the general business, profession, occupation or group. The presumption set forth in this subsection does not affect the applicability of the requirements set forth in subsection 3 relating to the disclosure of the pecuniary interest or commitment in a private capacity to the interests of others.

3. A public officer or employee shall not approve, disapprove, vote, abstain from voting or otherwise act upon any matter:

- (a) Regarding which he has accepted a gift or loan;
- (b) Which would reasonably be affected by his commitment in a private capacity to the interest of others; or
- (c) In which he has a pecuniary interest,

without disclosing sufficient information concerning the gift, loan, commitment or interest to inform the public of the potential effect of the action or abstention upon the person who provided the gift or loan, upon the person to whom he has a commitment, or upon his interest. Except as otherwise provided in subsection 6, such a disclosure must be

made at the time the matter is considered. If the officer or employee is a member of a body which makes decisions, he shall make the disclosure in public to the chairman and other members of the body. If the officer or employee is not a member of such a body and holds an appointive office, he shall make the disclosure to the supervisory head of his organization or, if he holds an elective office, to the general public in the area from which he is elected. This subsection does not require a public officer to disclose any campaign contributions that the public officer reported pursuant to NRS 294A.120 or 294A.125 in a timely manner.”

Regarding these allegations, no evidence of business or pecuniary relationships was found between Mr. Goodman, the Crazy Horse Too, Mr. Rizzolo, or Mr. Rapuano. Review of Mr. Goodman’s financial disclosure statements provided no evidence of a gift or loan between Mr. Goodman, the Crazy Horse Too, Mr. Rizzolo or Mr. Rapuano. Having found no evidence of gifts, loans, or pecuniary interests, a violation of NRS 281.501(2) and (3) could only rise from a “commitment in a private capacity to the interests of others.” As defined in NRS 281.501(8), this means a commitment to a person:

- “(a) Who is a member of his household;
- (b) Who is related to him by blood, adoption or marriage within the third degree of consanguinity or affinity;
- (c) Who employs him or a member of his household;
- (d) With whom he has a substantial and continuing business relationship; or
- (e) Any other commitment or relationship that is substantially similar to a commitment or relationship described in this subsection.”

Mr. Goodman affirmed that none of the principals listed in the complaint were members of his household, employed members of his household, nor were related to him by blood, adoption, or marriage within the third degree of consanguinity. As previously outlined, the Executive Director found no credible evidence of business or pecuniary relationships between Mr. Goodman and the principals. Further, the Executive Director found no credible evidence of a commitment or relationship similar to those described in NRS 281.501(8). The alleged relationship between Mr. Letizia and the Crazy Horse Too, does not directly involve Mr. Goodman. As no credible evidence exists to support Mr. Goodman having a commitment in a private capacity to the interests of others in relationship to the licensing of Mr. Rapuano, the Executive Director could find no reason Mr. Goodman would have had to disclose under NRS 281.501(3), nor abstain from voting under NRS 281.501(2).

Accordingly, the Executive Director found no credible evidence that Mr. Goodman violated the provisions of NRS 281.501(2) or 281.501(3). Therefore, the Executive Director does not find just and sufficient cause to further pursue the allegations that Mr. Goodman violated NRS 281.501(2) or 281.501(3).

## **CONCLUSION**

The Executive Director hereby recommends that the panel find no just and sufficient cause for the Commission to hold a hearing and render an opinion on the allegations set forth in the complaint, and further that the complaint be dismissed.

DATED: March 24, 2003

Stacy M. Jennings  
EXECUTIVE DIRECTOR